

February 3, 2009

Mr. David Todd
CALIFORNIA DEPARTMENT OF WATER RESOURCES
P.O. Box 94236
901 P Street
Sacramento, CA 94236

Subject: City of Tustin
Request for Letter of Completion for 2005 Urban Water Management Plan

Dear Mr. Todd:

I am contacting you on behalf of my client, the City of Tustin, to request the Department of Water Resources (DWR) to file a letter of completion for the City's 2005 Urban Water Management Plan (UWMP). City staff and I reviewed comments on that plan provided by DWR staff member Sergio Fierro and prepared the attached UWMP Amendment dated December 3, 2008 in response to those comments. Mr. Fierro reviewed the information contained in this Amendment and indicated in an email dated December 12, 2008 that the City has now addressed all of the requirements of the law pertaining to the Urban Water Management Act. With that in mind, Mr. Fierro asked that I contact you with a request to file a letter of completion for the City of Tustin's 2005 UWMP. I have delayed doing so until now to allow City staff time to first confer with their City Attorney to determine whether or not it would be necessary to hold a public hearing pertaining to this UWMP Amendment. The City Attorney, in the attached January 27, 2009 opinion, has determined it is not necessary to hold a public hearing because the proposed Amendment is explanatory in nature and does not constitute substantial or substantive amendments to the UWMP.

Additionally, I am also enclosing a copy of the 2004 Orange County Water District Groundwater Management Plan as referenced in Item No. 1 of their UWMP Amendment.

City staff looks forward to receiving a copy of the UWMP Letter of Completion in the coming weeks. Please mail that letter directly to the City's Public Works Water Services Division office at the following address (with a copy to me):

City of Tustin
Public Works – Water Services Division
Attention: Fred Adjarian, Water Services Manager
300 Centennial Way
Tustin, CA 92780

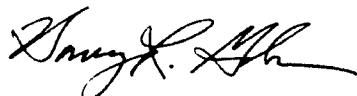
3187 Red Hill Avenue
Suite 250
Costa Mesa, CA 92626
714.751.7373
714.545.8883 Fax
www.psomas.com

P S O M A S

Letter to David Todd, Department of Water Resources
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If you have any questions regarding this matter, please do not hesitate to contact me at (714) 481-7992 or (562) 618-3181 (mobile).

P S O M A S

A handwritten signature in black ink, appearing to read "Harvey R. Gobas".

Harvey R. Gobas, P.E.
Vice-President / Senior Project Manager

Enclosures: Tustin UWMP Amendment dated December 3, 2008
January 27, 2009 Memorandum from Tustin City Attorney to Fred Adjarian
2004 OCWD Groundwater Management Plan (on CD)

Copies to: Fred Adjarian, City of Tustin Water Services Manager
Julianne Durland, P.E., Associate Engineer, City of Tustin
Sergio Fierro, Department of Water Resources

Amendment

To the City of Tustin's 2005 Urban Water Management Plan (UWMP)

December 3, 2008

This Amendment addresses the Department of Water Resources' (DWR) comments on the City of Tustin's (City or CTWS (City of Tustin Water Service)) 2005 Urban Water Management Plan as follows:

1. Groundwater Identified as Existing or Planned Source

- a. **DWR Comment** – Need groundwater management plan.
- b. **City of Tustin Response** – The Orange County Water District (OCWD) is responsible for management of the groundwater basin from which the City pumps a significant portion of its water supply. Therefore, the City has not prepared its own groundwater management plan. A copy of OCWD's 2004 Groundwater Management Plan can be obtained from their website (<http://www.ocwd.com/assets/pdfs/2004GWMP.pdf>). One copy of that OCWD report will also be provided to DWR in digital form on a CD.

2. Reliability of Supply

- a. **DWR Comment** – Need to address Table 8 – Supply Reliability in Acre-Feet/Year.
- b. **City of Tustin Response** – It is our understanding (based on comments submitted by DWR for its review of other 2005 Orange County UWMPs) that the information required for inclusion in Table 8 should reflect the actual water supply for the years the City of Tustin selected as their base years for Average/Normal Water Year, Single Dry Water Year and Multiple Dry Water Years. With that in mind, reference is made to page 4-19 of the City's 2005 UWMP, which notes the City of Tustin has chosen to rely on the data derived by the Municipal Water District of Orange County (MWDOC) for the 82-year period from 1922 to 2004, from which 1961 was defined as the base year for the Single Dry Water Year and the 1959 to 1961 period was defined as the base years for the three year Multiple Dry Year period (we understand that DWR legal counsel has previously approved the usage of this MWDOC derived data for this purpose). With that in mind, a revised Table 8 has been prepared for the City of Tustin and is presented on the next page. This table provides supply reliability figures based on MWDOC's single dry year (1961) and multiple dry years (1959-1961). Pertinent information has been extracted from MWDOC's 2005 UWMP based on their computer model using that historic data.

Table 8 Supply Reliability - AF Year				
Average / Normal Water Year	Single Dry Water Year (1991)	Multiple Dry Water Years		
		Year 1 (1999)	Year 2 (1990)	Year 3 (1961)
Local Supply				
4,728 ⁽¹⁾	4,534	4,539	4,534	4,534
% of Normal ⁽²⁾	95.9%	96.0%	95.9%	95.9%
Imported Supply				
6,722 ⁽³⁾	8,221	7,912	7,677	8,221
% of Normal ⁽⁴⁾	122.3%	117.7%	114.2%	122.3%
Total Supply				
11,520	12,755	12,451	12,211	12,755
% of Normal	110.7%	108.1%	106.0%	110.7%

- (1) From City of Tustin's 2005 UWMP, Table 2.2-1 and Table 4, Appendix B, actual 2005 local supply (total of treated groundwater production (2,330 AF) and clear groundwater production (2,398 AF))
- (2) From MWDOC's 2005 UWMP, Table 8-A, 2005-2010 local supply availability
- (3) From City of Tustin's 2005 UWMP, Table 2.2-1 and Table 4, Appendix B, actual 2005 imported supply
- (4) From MWDOC's 2005 UWMP, Table 8-A, 2005-2010 imported supply availability

3. Planned Water Supply Projects and Programs

- a. **DWR Comment** – Need detailed information regarding project (Table 17 – Idaho Street Well).
- b. **City of Tustin Response** – DWR's comments include a Table 17 reference to the "Idaho Street Well." City staff believes this may have been an inadvertent and unintended reference given the fact Tustin does not have any existing or planned wells with this name. However, page 4-29 of the City's 2005 UWMP did reference Tustin's plans to implement a groundwater development program to utilize existing wells and drill additional wells to expand its use of the local groundwater supply. The additional wells referenced in the 2005 UWMP did not have information when that report was originally prepared. However, the City has since made progress in the development of those planned facilities, which now include the Pasadena Well and the Tustin Avenue Well. Information on those two new wells, the former of which is currently under construction and the latter of which is projected to be placed into service in 2011, is included in Table 17 on the next page. Anticipated production projections for Single and Multiple Dry

Years are based on the estimated "percentage of normal" for local supplies provided in Table 8 below.

Table 17 Future Water Supply Projects							
Project Name	Projected Start Date	Projected Completion Date	Normal year AF to agency	Single-dry year yield AF	Multiple-Dry-Year 1 AF	Multiple-Dry-Year 2 AF	Multiple-Dry-Year 3 AF
Pasadena Well	2007	Dec. 2008	3,228	3,096	3,099	3,096	3,096
Tustin Avenue Well	2009	Dec. 2011	3,228	3,096	3,099	3,096	3,096
Total			6,456	6,192	6,198	6,192	6,192

4. Water Shortage Contingency Plan Section – Stages of Action

- a. **DWR Comment** – Need % shortage for stages 1 thru 4.
- b. **City of Tustin Response** – As referenced in the first paragraph of Section 7.2 of the City's 2005 UWMP, Tustin adopted a Water Shortage Contingency Plan on February 3, 1992, as set forth in City Resolution No. 92-15, a copy of which was included in Appendix F to the City's 2005 UWMP. Also, as referenced in the same paragraph of the City's 2005 UWMP, the City Council adopted Water Management Program Ordinance No. 160 on March 18, 1991 (also included in Appendix F), which delineates the stages of action that will be taken if up to a 50 percent reduction in water supply occurs. Furthermore, City Ordinance No. 1063 adopted on April 1, 1991 establishes consumption reduction goals. The four stages of action described in these Ordinances are summarized on pages 7-2 through 7-5 of the City's 2005 UWMP. While the previously referenced Ordinances and Resolutions did not stipulate specific shortage percentages by stage, it is nevertheless the City's intent to operate in accordance with the shortage percentages presented in Table 23 below:

Table 23 Water Supply Shortage Stages and Conditions RATIONING STAGES		
1	Water Watch (voluntary)	NA
2	Water Alert (mandatory)	10
3	Water Warning (mandatory)	20
4	Water Emergency (mandatory)	50

5. Consumption Reduction Methods

- a. **DWR Comment** – Need to Address (Table 27).
- b. **City of Tustin Response** – The requested information was referenced on pages 7-2 through 7-4 of the City's 2005 UWMP. The information in the report is referenced by page number in Table 27 below, along with the projected reduction that is anticipated to result from these actions. The specific activities referenced on pages 7-2 through 7-4 of the City's 2005 UWMP include required reductions or curtailments of washing sidewalks, driveways, parking areas, paved surfaces; watering lawns and landscaping; using water in decorative fountains, ponds and lakes; serving drinking water in restaurants; and reducing agricultural, commercial and construction water usage.

Table 27 Consumption Reduction Methods		
Consumption Reduction Method	Stage When Method Taken Effect	Projected Reduction (%)
Reduce water consumption use for particular activities	Stage 1	NA
Reduce water consumption use for particular activities as described on page 7-2 of the City's 2005 UWMP	Stage 2	10%
Reduce water consumption use for particular activities as described on page 7-3 of the City's 2005 UWMP	Stage 3	20%
Reduce water consumption use for particular activities during a severe water emergency as described on page 7-4 of the City's 2005 UWMP	Stage 4	50%

6. Revenue Impacts

- a. **DWR Comment** – Need to Address (Table 29).
- b. **City of Tustin Response** – Section 7.6 of the City's 2005 UWMP addresses revenue impacts caused by reduced sales during shortages. That section of the report notes that the City receives revenue from a commodity charge and a fixed service charge. The City's rates have been designed to recover the full cost of water service via the commodity and service charges. Therefore the total cost of purchasing water and producing groundwater would decrease as the usage or sale of water decreases. Should an extreme shortage be declared and a large reduction in water sales occur for an extended period of time, the City would monitor projected revenue and related expenditures and then re-examine its tiered water rate structure. The commodity and service charge rates would then be adjusted if necessary to recover the full cost of water service.

It should also be noted that Section 7.5 of the City's 2005 UWMP discusses revenue that may be raised from penalties imposed during periods of extreme water shortages; however, it should also be noted that any revenue collected from such penalty fees will be set aside solely for use in funding appropriate water conservation activities to help customers achieve water use reduction goals.

Table 29, presented below, now incorporates these concepts.

Table 29 Proposed Measures to Overcome Revenue Impacts	
Names of measures	Check if Discussed
Water Commodity Charge Rate Adjustment	X
Water Service Charge Rate Adjustment	X
Revenues From Penalties	X

DWR Demand Management Comments and City of Tustin Responses

1. Water Demand Management Measures (DMM) – Residential and Plumbing Retrofits

- a. **DWR Comment** – Need Number of Pre-1992 Single Family and Multiple Family Accounts
- b. **City of Tustin Response** – CTWS does not have any data available on the number of pre-1992 single or multiple family accounts. The City's current water billing software, which now contains this information, was first implemented in 2000; however the data transferred into that system at that time was rather incomplete and did not contain information on the number of single family and multiple family accounts.

2. Water Demand Management Measures (DMM) – System Water Audits, Leak Detection and Repair

- a. **DWR Comment** – Need Year Program Started and Year of Last Audit
- b. **City of Tustin Response** – CTWS has participated in a yearly water audit loss study since 2005 within the City itself. The last year that an audit was performed by the City was 2007. Tustin Water Service is planning to do regular yearly audits once a program is securely in place. Currently, the City has a modeling program that determines water losses in the distribution system. To date, leak detection and repair for the City's distribution system is completed on an as needed basis. As stated in the second paragraph of DMM 3 from the 2005 Urban Water Management Plan, CTWS maintains an emergency response program to investigate and repair all water distribution system leaks.

3. Water Demand Management Measures (DMM) – Metering and Commodity Rates

- a. **Original DWR Comment** – Need Year Program Started
- b. **City of Tustin Response** – CTWS has participated in water metering since the City took over the old Tustin Water Works System in 1980. Meters are required of all residential, commercial, industrial, and other customer classifications as water service connections are replaced, upgraded or installed for new construction projects. Residential meters (5/8-inch) are replaced by CTWS distribution field staff every 2,000 billing units, 1" meters every 3,500 billing units, 1 ½ and 2" meters every 10,000 billing units, and 3", 4", and 6" meters as needed.

4. Water Demand Management Measures (DMM) – Large Landscape Conservation Programs and Incentives

- a. **DWR Comment** – Need Year Program Started; Need number of landscape accounts with budgets and number of CII (Commercial, Industrial, Institutional) with landscape surveys
- b. **City of Tustin Response** – CTWS has participated in Large Landscape Conservation Programs through MWDOC since 2000. The number of landscape accounts and the number of CII accounts were provided in Table 5.1-2 of the City's 2005 UWMP. The City of Tustin and MWDOC have both confirmed that there has been no recorded activity by either entity with respect to large landscape accounts with budgets or CII accounts with landscape surveys within the City of Tustin.

5. Water Demand Management Measures (DMM) – Conservation Pricing

- a. **DWR Comment** – Need year program started. Need data for table K1
- b. **City of Tustin Response** – CTWS has participated in a conservation pricing program since the City took over its predecessor water agency Tustin Water Works in 1980. Tustin Water Service water rates are re-evaluated periodically as needed to ensure that the rate structure is generating sufficient revenues to maintain efficient and reliable utility operations and to encourage water conservation and penalize excessive water use. The City does not manage the existing sewer collection system serving Tustin; this service is provided by the Orange County Sanitation District. A copy of CTWS's potable water rate schedule effective January 2008 is provided to the right.

**Tustin Water rate and fee structure
 effective January 1, 2008.**

Fixed Charge - Bi-Monthly Billing	
Meter Size	Charge
5/8"	\$22.26
1"	\$55.66
1-1/2"	\$111.32
2"	\$178.11
3"	\$333.95
4"	\$556.58
6" or larger	\$1113.16
Multiple dwellings fixed charges: 17.81 per dwelling unit, per meter serving multiple dwelling units	

Consumption Charge - Bi-Monthly Billing		
Residential	Each Unit	Multiple Units
First 12 units	\$0.49	First 10 units
13-40	\$1.56	11-32
41-60	\$1.67	33-48
Over 60	\$1.84	over 48



**City of Tustin
 Water Service**
 For water billing information
 call (714) 573-3075
 After Hours Emergency
 call (714) 549-6913

Water rate increase approved by City Council May 2006.

6. Water Demand Management Measures (DMM) – Water Conservation Coordinator

- a. **DWR Comment** – Need to address
- b. **City of Tustin Response** – CTWS has participated in water conservation in conjunction with MWDOC. CTWS does not have a full-time conservation coordinator. However, the City provides water conservation resources to its customers utilizing regional and local programs. Regionally, Tustin actively participates in a variety of outdoor and indoor conservation programs offered by MWDOC. For regional conservation programs

such as SmartTimer, Rotating Nozzles, High Efficiency Toilets, High Efficiency Clothes Washers, Synthetic Turf, and residential water audits, the city refers its customers to MWDOC staff and/or MWDOC website for specific rebate information and answers to landscape conservation questions. The City also coordinates with MWDOC to provide free landscape workshops to interested customers, focusing on irrigation systems, soils, plants and general landscape design and maintenance tips. Other conservation assistance provided directly by CTWS staff includes but not limited to distribution of various indoor/outdoor conservation brochures, helping customers determine if there are leaks on their side of the meter, and presentations on a requested basis to community groups, schools, businesses, home owners associations, and other organizations on current water conservation topics. Finally, conservation education and outreach is provided through the City's quarterly newsletter, billing stuffers, direct mailings, the City's cable TV channel and website to make customers aware of conservation tips and related information through links to MWDOC and MWD of Southern California.

7. Water Demand Management Measures (DMM) – Residential Ultra Low Flush Toilet Replacement Programs

- a. **DWR Comment** – Need number of pre-1992 single family and multi-family accounts. Also is toilet retrofit on resale ordinance in effect at Tustin?
- b. **City of Tustin Response** – CTWS does not have any data available on the number of pre-1992 single or multiple family accounts. The City's current water billing software, which now contains this information, was first implemented in 2000; however the data transferred into that system at that time was rather incomplete and did not contain information on the number of single family and multiple family accounts. The City of Tustin does not have an ultra low flush toilet retrofit replacement ordinance in effect.

MEMORANDUM

TO: Fred Adjarian, Water Services Manager
City of Tustin

FROM: City Attorney

DATE: January 27, 2009

RE: Explanatory Amendments to 2005 Urban Water Management Plan

ISSUE AND CONCLUSION

You have requested us to review the proposed final amendments to the City of Tustin's 2005 Urban Water Management Plan (UWMP), and to determine whether a public hearing is required to incorporate the proposed final amendments into the UWMP. We understand that the proposed amendments are actually the City's responses to the California Department of Water Resources' comments on the UWMP. We conclude that a public hearing is not required because the proposed amendments are explanatory in nature and do not constitute substantial or substantive amendments to the UWMP.

ANALYSIS

Pursuant to the California Urban Water Management Planning Act (Water Code §§ 10610 et seq.) (the "Act"), the California Department of Water Resources (DWR) has reviewed the UWMP and has made comments to which the City has responded. The DWR has accepted the City's comments and is prepared to approve the UWMP provided that the City's responses are incorporated into the UWMP.

The Act requires that each water supplier that is required to adopt a plan first make a draft available for public inspection and to hold a public hearing (Water Code § 10641). The Act further requires that plans be reviewed every five years and that any amendments be adopted pursuant to the procedures of § 10641 (Water Code § 10621). However, the Act is not clear on whether any amendment is subject to the public hearing process, or whether such a hearing is required solely for a plan's initial adoption, in addition to amendments made after each five-year review. In our opinion, a public hearing should be conducted for any substantive amendments to a plan. Amendments would be substantive if they would have the effect of changing or adopting new policies, which could in turn affect the manner in which the City provides water services or reviews development projects.

Fred Adjarian, Water Services Manager
City of Tustin
January 27, 2009
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In reviewing the responses to the DWR, which are proposed to be incorporated into the UWMP, we notice that they simply identify the portions in the UWMP which respond to the DWR comments, identify the documents of outside agencies responsible for groundwater management (which explains why the UWMP does not contain a separate groundwater management plan), revise tables based on information identified in the UWMP, and identify existing policy documents (such as existing ordinances and existing resolutions) that clarify how the City would implement the UWMP. The responses to be incorporated as the proposed amendments to the UWMP are *de minimis* in nature and could not be characterized as substantive amendments to the UWMP. Such *de minimis* amendments would not affect the manner in which the City provides water services, or the manner in which the City reviews development projects. Therefore, a public hearing pursuant to Water Code §§ 10621 and 10641 would be superfluous.

Please contact us should you wish to discuss this matter further.

DOUGLAS C. HOLLAND
CITY ATTORNEY

A handwritten signature in black ink, appearing to read "Omar Sandoval", is written over a horizontal line.

Omar Sandoval
Assistant City Attorney